



**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DIVISION OF BOND FINANCE
SUITE 1600 JAMES K. POLK STATE OFFICE BUILDING
NASHVILLE, TENNESSEE 37243-0273
PHONE (615) 741-4272
FAX (615) 741-5986**

February 13, 2002

Investor Update

General Obligation Ratings of the State of Tennessee

The General Obligation Bond Ratings of the State are as follows:

Fitch	AA
Moody's	Aa2 (negative outlook)
Standard & Poor's	AA (credit watch, negative implications)

Monthly Revenue Report

The Revenue Report for state revenues collected during the month of January is attached to this document. To read the document, please open it using Acrobat Reader.

The Proposed Budget

On Wednesday, February 6, 2002, the Governor presented the State Taxpayers' Budget to the citizens of the State. This document portrays the administration's proposal to spend the state dollars received in the next fiscal year that begins on July 1, 2002. On Friday, February 8, 2002, the Governor presented his proposed budget for the fiscal year that begins on July 1, 2002. This budget is a proposal only. The final budget is established when the General Assembly approves the Appropriations Bill near the end of the legislative session.

You can view the State Taxpayer's Budget at:

<http://www.state.tn.us/finance/bud/overview/taxpayerbudget.pdf>

You can view the Governor's Budget at:

www.state.tn.us/finance/bud/bud0203/overview/buddoc.html

Comprehensive Annual Financial Report

The Comprehensive Annual Financial Report for fiscal year 2000-2001 is presented at the following website:

<http://www.state.tn.us/finance/act/cafr.html>

Results of the General Obligation Bond Sale

The State Funding Board sold its General Obligation Bonds. Series 2002A in the amount of \$150,600,000 and Series 2002B in the amount of \$13,500,000 (federally taxable) on January 31, 2002. You can view the results of those sales on the following website:

<http://www.comptroller.state.tn.us/econbus.htm>

To receive a personal copy of future Investor Updates, please email your email address to: mary.margaret.collier@state.tn.us